

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE

IN AND FOR NEW CASTLE COUNTY

AFH HOLDING ADVISORY, LLC,	)	
GRIFFIN VENTURES, LTD., and THE	)	
AMIR & KATHY HESHMATPOUR	)	
FAMILY FOUNDATION,	)	
	)	
Plaintiffs, Counterclaim	)	
Defendants,	)	
	)	
v.	)	C.A. No. N12C-09-045 MMJ
	)	CCLD
EMMAUS LIFE SCIENCES, INC., a	)	
Delaware corporation,	)	
	)	
Defendant, Counterclaim	)	
and Third-party Plaintiff,	)	
	)	
v.	)	
	)	
AMIR HESHMATPOUR,	)	
	)	
Third-Party Defendant.	)	

**ORDER IMPLEMENTING THE RULINGS MADE BY THE COURT  
IN ITS MAY 15, 2013 MEMORANDUM OPINION**

WHEREAS, on March 13, 2013, Defendant and Counterclaim/Third Party Claim Plaintiff Emmaus Life Sciences, Inc. (“Emmaus”) having moved pursuant to Superior Court Rule 56 for partial summary judgment against Plaintiffs/Counterclaim Defendants AFH Holding Advisory, LLC (“AFH”), Griffin Ventures, Ltd. (“Griffin”), and The Amir & Kathy Heshmatpour Family

Foundation (the “Foundation”) and Third Party Defendant Amir Heshmatpour (“Heshmatpour);

WHEREAS, on March 13, 2013, Heshmatpour having moved pursuant to Superior Court Rule 56 for summary judgment against Emmaus with respect to claims asserted by Emmaus against Heshmatpour for fraud and fraud in the inducement;

WHEREAS, AFH, Griffin and the Foundation having joined in the summary judgment motion filed by Heshmatpour;

WHEREAS, the Court having ruled on the parties’ summary judgment motions in a Memorandum Opinion dated May 15, 2013 (the “Memorandum Opinion”);

AND NOW, this 27<sup>th</sup> day of June, 2013, for the reasons set forth in the Memorandum Opinion,

**IT IS HEREBY ORDERED** as follows:

1. Emmaus’ Motion for Partial Summary Judgment is **GRANTED** and the Court declares as a matter of law that:
  - a. the Offering (as defined in the Memorandum Opinion) has been terminated;
  - b. the Advisor Shares (as defined in the Memorandum Opinion) have been properly cancelled;

c. LOI III (as defined in the Memorandum Opinion) has been properly terminated by Emmaus as of July 19, 2012; and

d. AFH, Griffin, the Foundation and Heshmatpour must return all Advisor Share certificates in their possession, representing 2,504,249 Advisor Shares, to Emmaus forthwith.

2. The transfer agent for Emmaus shall effect the cancellation of such 2,504,249 Advisor Shares in the stock records of Emmaus forthwith, and shall do so regardless of whether the certificates representing such Advisor Shares or related stock powers have been delivered to it.

3. Heshmatpour's Motion for Summary Judgment is **GRANTED IN PART and DENIED IN PART.**

4. Emmaus has set forth a *prima facie* case against Heshmatpour and AFH for entitlement to punitive damages based on Emmaus' fraud and fraud in the inducement claims.

5. Emmaus is not entitled to compensatory damages on its fraud and fraud in the inducement claims to the extent that such relief would be duplicative of any damages Emmaus would be entitled to claim for its breach of contract claims against AFH.

/s/ *Mary M. Johnston*

The Honorable Mary M. Johnston